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LORDS OF INDUSTRY.

WHEN President Gowen, of the Reading Railroad, was defending that company in 1875 before a committee of the Pennsylvania legislature for having taken part in the combination of the coal companies to cure the evil of "too much coal" by putting up the price and cutting down the amount for sale, he pleaded that there were fifty trades in which the same thing was done. He had a list of them to show the committee. He said:

"Every pound of rope we buy for our vessels or for our mines is bought at a price fixed by a committee of the rope manufacturers of the United States. Every keg of nails, every paper of tacks, all our screws and wrenches and hinges, the boiler flues for our locomotives, are never bought except at the price fixed by the representatives of the mills that manufacture them. Iron beams for your houses or your bridges can be had only at the prices agreed upon by a combination of those who produce them. Fire-brick, gas-pipe, terra-cotta pipe for drainage, every keg of powder we buy to blast coal, are purchased under the same arrangement. Every pane of window glass in this house was bought at a scale of prices established exactly in the same manner. White lead, galvanized sheet iron, hose and belting and files are bought and sold at a rate determined in the same way. When my friend Mr. Lane was called upon to begin his speech the other day and wanted to delay because the stenographer had not arrived, I asked Mr. Collins, the stenographer of your committee, if he would not act. He said no, it was against the rules of the committee of stenographers. I said, 'Well, Mr. Collins, I will pay you anything you ask. I want to get off.' 'Oh,' said he, 'prices are established by our combination, and I cannot change them.' And when we come to the cost of labor, which enters more than anything else in the cost of coal, we are met by a combination there, and are often obliged to pay the price fixed by it."

Adam Smith said in 1776: "People of the same trade hardly meet together even for merriment and diversion but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices." The expansive ferment of the New Industry, coming with the new science, the new land,

and the new liberties of our era, broke up these "conspiracies," and for a century we have heard nothing of them; but the race to overrun is being succeeded by the struggle to divide, and combinations are re-appearing on all sides. This any one may see from the reports of the proceedings of the conventions and meetings of innumerable associations of manufacturers and dealers and even producers, which are being held almost constantly. They all do something to raise prices, or hold them up, and they wind up with banquets for which we pay.

Four years ago the Chicago Lumbermen's Exchange adopted a resolution declaring it to be "dishonorable" for any dealer to make lower prices than those published by it for the control of prices in one of the greatest lumber markets of the world. Monthly reports are required by this Exchange from dealers, so that accurate accounts may be kept of stock on hand in order to regulate prices. The price lists of the Exchange are revised and made "honest" at monthly banquets. In February, 1883, it was found that members who ostensibly adhered to the price lists dipped into the dishonorable practice of competition on the sly by giving buyers greater than the usual discounts. This was then forbidden, and another pathway of competition closed. The effect of this price-legislation was attested by the address of a dealer of Minneapolis at one of the price-list banquets of the Exchange, who said that his firm, which made sales as far off as Manitoba and Dakota, had never sold a foot for less than the published lists. A delegation of dealers from the Mississippi River district spoke feelingly of their labors "for harmony" and their willingness that Chicago should make prices. A secret meeting of lumbermen from all parts of the West was held in Chicago, March 8, 1883, to discuss means for advancing prices, restricting production at least thirty-five per cent., and in general, in the language of one of them, putting themselves into a position like that of the coal producers of Pennsylvania, who by combination dictated the prices of coal throughout the whole country. In May, last year, the national association of lumber dealers met in Chicago. It represents over five hundred and fifty retail dealers in the West, and its principal purpose was to prevent wholesale dealers at Chicago, St. Louis, and other centers from retailing lumber to carpenters, farmers, and scalpers in the territory of the retailers. There are too many sellers, and so any wholesaler who persists in competing in this way with local

dealers is, when found guilty, named to all the retailers and punished by losing their trade. The mills of Puget Sound, which supply a large proportion of the lumber consumed in the Pacific States, formed a combination last year to regulate the production and sustain prices. It is said by the local newspapers that the mills which do not belong to the association are hired to stand idle, as there are too many mills, and the association finds it profitable to sustain prices at the cost of thousands of dollars paid out in this way. The lumber market of the Pacific coast is ruled by the California Lumber Exchange, and that is controlled by a few powerful firms. The prices of red-wood are fixed by the Redwood Manufacturers' Association, and those of pine by the Pine Manufacturers' Association. During the past year the retail dealers of San Francisco have had to sign contracts with these associations, binding themselves to buy only from members of the associations, to buy and sell only at prices fixed by them, to give time and discount only according to rule, and to keep accounts so that every item will be clear to the inspectors hired by the associations to look after the retailers. Finally, the retailer binds himself, if he is "found guilty" of committing any of the forbidden sins, to pay a fine which may amount to one thousand dollars, to be divided among the faithful. The literature of business can show no more remarkable productions than the printed forms of these contracts. This system is in imitation of the "special contracts" with shippers which have been put in force by the Central Pacific Railroad.

Western ranch-men complain that the competition of buyers is disappearing. They declare that there exist at the Chicago stock-yards combinations of buyers who, by their ability to make large purchases and their agreement to offer but one price, get cattle at their own figures. One member of the "ring" does the buying to-day; another to-morrow, and so on. The cattle kings have combinations to defend themselves from cattle thieves, State legislatures, and other enemies, and propose to extend this category so as to include the middle-men at the stock-yards. The Stock-growers' Association of Wyoming have \$100,000,000 in cattle. At the recent convention held by this body in Cheyenne, it was unanimously declared that its business had been "seriously injured by the pooling arrangements prevailing among buyers at the Chicago stock-yards," and the executive committee were instructed to obtain the fullest possible information as to

the means by which cattle might be shipped direct to the European consumer.

Last July Messrs. Vanderbilt, Sloan, and one or two others out of several hundred owners of coal lands and coal railroads, met in the pleasant shadows of Saratoga to make "a binding arrangement for the control of the coal trade." "Binding arrangement" the sensitive coal presidents say they prefer to the word "combination." The gratuitous warmth of summer suggested to these men the need the public would have of artificial heat, at artificial prices, the coming winter. It was agreed to fix prices, and to prevent the production of too much of the raw material of warmth, by suspensions of mining. In anticipation of the arrival of the cold wave from Manitoba, a cold wave was sent out all over the United States, from their parlors in New York, in an order for half-time work by the miners during the first three months of this year, and for an increase of prices. These are the means this combination uses to keep down wages—the price of men, and keep up the price of coal—the wages of capital. Prices of coal in the West are fixed by the Western Anthracite Coal Association, controlled entirely by the large railroads and mine-owners of Pennsylvania. This association regulates the price west of Buffalo and Pittsburgh and in Canada. Our annual consumption of anthracite is now between 31,000,000 and 32,000,000 tons. The West takes between 5,000,000 and 6,000,000 tons. The companies which compose the combination mine, transport, and sell their own coal. They are obliterating other mine-owners and the retailer. The Chicago and New York dealer has almost nothing to say about what he shall pay or what he shall charge, or what his profits shall be. The great companies do not let the little men make too much. Year by year the coal retailers are sinking into the status of mere agents of the combination, with as little freedom as the consumer.

There was an investigation of the coal combination by the Pennsylvania legislature in 1871, the testimony taken in which showed, as summarized in "The Nation," then the leading anti-monopoly paper in the United States, that when, after a thirty-days' strike by the men, a number of private coal-mine owners acceded to their terms and wished to reopen their mines and send coal again to market, the railroads, by which alone they could get to market, raised their

freights, as their men were still on strike, to three times the previous figures. These great corporations had determined not to yield to their men, and as they were mine-owners and coal-sellers as well as carriers, they refused to take coal for their competitors. The latter, if they could have got transportation, would have given their own men employment and supplied the people of the country with coal. This would have compelled the great companies either to make terms with their workmen, or to let these other mine-owners take the trade. Instead of doing so, they used their power over the only available means of transportation to dictate the terms upon which every other employer should deal with his men, by preventing him from sending his products to market so long as he granted his men better terms than those laid down by the company. The result was that the price of coal was doubled, rising to \$12 a ton; the resumption by the private mine-owners was stopped; and they, the workmen and the consumer, were all delivered over to the tender mercies of the six great companies.

The coal combination was again investigated by the New York legislature in 1878, after the combination had raised the prices of coal in New York to double what they had been. The legislature found that private mine-operators who were not burdened like the great companies with extravagant and often corrupt purchases of coal lands, heavily watered stock, and disadvantageous contracts, forced on them by interested directors, and who have only to pay the actual cost of producing the coal, "can afford to sell at a much less price than the railroad coal-producing companies, and would do so if they could get transportation from the mines to the market." This is denied them by the great companies. "The private operators," says the report, "either find themselves entirely excluded from the benefits of transportation by reason of the high freights, or find it for their interest to make contracts with the railroads, by which they will not sell to others, and so the railroads have and will keep the control of the supply of the private operators." To those who will not make such contracts, rates are fixed excluding them from the market, with the result, usually, of forcing them to sell their property to the lords of the pool. "The combination," the committee declared, "can limit the supply, and thereby create such a demand and price as they may deem advisable." The committee found that coal could be laid down on the dock

in New York, after paying all charges, for an average of \$3.20 a ton. It was at that time retailing in the city for \$4.90 to \$5.25 a ton. "The purposes of the combination are solely to advance the price of coal, and it has been successful to the amount of seventy-five cents to one dollar a ton. Its further advance is only a question whether the combination can continue to repress the production." An advance of only twenty-five cents a ton would on 32,000,000 tons be \$8,000,000 a year, which is not a bad thing—for the combination.

Some excitement was caused by the report in August, 1882, that there had been formed in New York and Philadelphia a combination of buyers to control the markets, and "that it was far more autocratic than that of operators and railroads had ever thought of being." Nothing has since been heard of this combination. The only combination of buyers of coal that now exists is called the State, but its members have not yet learned to know their rights or their power. The total amount of anthracite coal land is estimated by President Gowen, of the Reading, to be between 260,000 and 270,000 acres. Of this the Reading Coal and Iron Company owns 95,000 acres, and also holds under a lease of the Central Railroad of New Jersey about 14,000 acres, making in the neighborhood of 110,000 acres. The Lehigh Valley Railroad controls about 25,000 acres; the Delaware, Lackawanna and Western about 20,000; the Delaware and Hudson about 20,000; the Pennsylvania Coal Company 8000 to 10,000, and the Pennsylvania Railroad 5000 to 10,000. The rest of the coal lands is held by individuals, firms, and corporations, and is "necessarily tributary" to the railroad lines of the companies above named, with all that that implies. The capitalization of the coal companies with that of their satellites is upward of \$500,000,000. This capitalization was declared by the New York legislative committee to be excessive. Mr. James B. Hodgskin explained, some years ago, in "*The Nation*," how this inflation was brought about. A generation since, the most important coal lands were covered by the prettiest farms and the wildest mountain forests in the United States, then worth fifty cents to fifty dollars an acre. They were bought up by speculators who sold them to the companies at ten to twenty times the real cost. When railroads were found to be necessary for the development of the mines, railroad schemes were taken in hand by the same class of men, who had acquired experience, skill, and money by their manipu-

lation of the mining companies, and similar tactics were employed to make money out of the new roads. Roads were built costing but one-half or three-quarters of the first mortgage bonds issued on them, and were then saddled with additional stock capital equal to the bonds, making the nominal capital of the roads three or four times the real cost. Of course the road was expected to earn dividends on the twenty-five dollars of real cost as well as the seventy-five dollars of fictitious cost. The swollen total at which the capitalization of the coal companies now stands was obtained by adding the dropsical mining stocks to the dropsical railroad stocks. This is one of the cases in which like has not cured like.

One of the sights which this coal side of our civilization has to show is the presence of herds of little children of all ages, from six years upward, at work in the coal breakers, toiling in dirt, and air thick with carbon dust, from dawn to dark, of every day in the week except Sunday. These coal breakers are the only schools they know. A letter from the coal regions in the Philadelphia "Press" declares that "there are no schools in the world where more evil is learned or more innocence destroyed than in the breakers. It is shocking to watch the vile practices indulged in by these children, to hear the frightful oaths they use, to see their total disregard for religion and humanity." In the upper part of Luzerne county, out of 22,000 inhabitants 3000 are children, between six and fifteen years of age, at work in this way. "There is always a restlessness among the miners," an officer of one of the New York companies said, "when we are working them on half time." The latest news from the region of the coal combination is that the miners are so dissatisfied with the condition in which they are kept, by the suspension of work and the importation of competing Hungarian laborers in droves, that they are forming a combination of their own, a revival of the old Miners and Laborers' Association, which was broken up by the labor troubles of 1874 and 1875.

Combination is busy in those soft-coal districts, whose production is so large that it must be sent to competitive markets. A pool has just been formed covering the annual product of 6,000,000 tons of the mines of Ohio. Indiana and Illinois are to be brought in, and it is planned to extend it to all the bituminous coal districts that compete with each other. The appearance of Mr. Vanderbilt, last December, in the Clearfield district

of Pennsylvania, at the head of a company capitalized for \$5,000,000, was the first entry of a metropolitan mind into this field. Mr. Vanderbilt's rôle is to be that of producer, carrier, dealer, and consumer, all in one. Until he came, the district was occupied by a number of small companies and small operators, as used to be the case in the anthracite field in the old days. But the man who works himself, with his sons, in a small mine, cutting perhaps from twenty to forty tons a day, cannot expect to survive the approach of the Manhattan capitalist. The small Clearfield producers, looking at the fate of their kind in the anthracite country, greeted Mr. Vanderbilt's arrival with the question, "What is to become of us?" "If the small operator," said one of the great man's lieutenants, "goes to the wall, that is his misfortune, not our fault." In March last the prominent Clearfield companies gave notice that wages must be reduced on the 1st of April, and immediately thereafter a union of their employés resolved that if the reduction, which they declared to be "without reason," was made they would strike.

Powerful syndicates are at work to control the coke industries of Pennsylvania, which will require from ten to fifteen millions of dollars. March 23, 1884, it was stated that the efforts of a year or more to consolidate the large and small coke-makers of the Connellsville district had succeeded. Nearly 8000 ovens joined the pool, which is under the command of the four largest firms. The smaller men agreed to shut their ovens whenever the heads of the pool ordered. It was announced, two days afterward, that one oven out of every seven had been closed "until further orders," that the price of coke would be advanced at once from ninety-five cents to \$1.15 a ton, and that farther advances would be made until the price had been raised to \$1.50. In March, 1883, the St. Louis "Age of Steel" had news that a combination had been made of all the coke iron furnaces, with one exception, in Tennessee, Alabama and Georgia, to fix uniform prices and prevent indiscriminate competition and "trickery" of all kinds, which is the disrespectful language in which the coke iron economists speak of the sacred law of competition.

There has been since 1872 a national combination of the manufacturers of the stoves, into which the combination coal must be put; and its effect, the founder said, in his speech at the annual banquet in Cleveland, last February, had been to change the balance from the wrong to the right side of the

ledger. Until lately, at least, combination matches lighted the fire of combination coal in these combination stoves, and it is combination oil which the cook, contrary to orders, puts on the fires to make them burn faster. The combination of match manufacturers was perfected by the experience of sixteen years of fusions, till lately it shared with the coal combination the pleasure of advancing the price of fire by proclamation on the approach of winter. It is now at war with the new companies which have gone into the manufacture since the repeal of the internal revenue tax. These it is attempting to conquer by underselling them, tactics which have hitherto never failed. The Government of the United States, before which all men are equal, helped this combination to kill off its competitors, shielding it from foreign competition by a tax of thirty-five per cent. on the importation of matches from abroad, and shielding it from domestic competition, by administering the internal revenue tax so as to make its small competitors pay ten per cent. more tax. This drove them into bankruptcy, or combination with the ring, at the rate of one or two every month. The railroads, like the Government, helped to transfer this business from the many to a few, by carrying the combination's matches at lower rates than were given to its little competitors.

When the house-maid strikes a combination match on the wall-paper, she leaves a mark on an article the manufacture, sale, and price of which are rigidly regulated by the American Wall Paper Manufacturers' Association. A recent writer has described this oath-bound combination which has established a wall-paper monarchy in the United States. When the cook takes the paper from off the express package, the hardware, the dry-goods, the groceries, the candy, the ham, which have been sent home, she is still handling an article the price of which is fixed by private enactments. The Western Wrapping-paper Association, ever since 1880, has, with more or less success, been struggling to keep down the deluge of too much wrapping-paper, and to fix the prices of all kinds, from the paper under the carpet to that which is used in roofing. It recently failed, but was at once reorganized on a firmer footing than before, and its mills are now allowed to turn out but one-half as much as they could produce. Besides this, the wood pulp and straw paper industries have been amalga-

mated. The American Paper Association aims to control the prices and production of paper for newspapers and books, and for writing. The dealers in old rags and old paper formed an association in Cleveland three years ago to deal with the "old-rag" problem of how to cut down the enormous profits the women of our country are making out of the contents of their rag-bags. In January, 1883, the trade met again at Rochester, formed two "national" associations, and solemnly agreed upon the prices to be paid for mixed rags "that we gather from house to house," and for brown paper and rag carpet. "No change of price for rags or paper," runs the decree of the old-rag barons, "is to be made without consultation of every member of the executive committee." The Western Wooden Ware Association discovered, last December, that there were too many pails, tubs, and bowls, and ordered its members to manufacture but one-fifth of their capacity. In February it gave them permission to increase this to one-half. The Western Cracker Bakers' Association met in Chicago in February to consider, among other things, "the reprehensible system of cutting prices." They first had a banquet. After their "merriment and diversion" the revelers, true to Adam Smith's description, turned to consider "some contrivance to raise prices." "The price lists were perfected," said the newspaper report, and then they adjourned.

The men who make our shrouds and coffins have formed a close corporation known as the National Burial Case Association, and held their national convention in Chicago last year. Their action to keep up prices and keep down the number of coffins was secret, lest mortality should be discouraged. The largest manufacturers of quinine in the world are the Boehringer of Milan, Manheim, and Paris. The next largest are Powers and Weightman of Philadelphia. The latter have just leased the Boehringer factory in Manheim. New York druggists say that these two could force up the price of quinine very high by combination, but do not believe they will do so. A pool of the seventeen leading quinine manufacturers of the world was formed last July. It included the manufacturers of America, Great Britain, and the continent of Europe. It advanced prices for a time twenty cents an ounce, but went to pieces at the beginning of 1884. The manufacturers of patent medicines organized in 1883, and the wholesale and retail druggists have followed with

organizations to prevent the sale of these nostrums at cut prices, or by any persons who were not regular druggists. A "drug war" has broken out and threatens to rage over the entire Union. The combination of the wholesale druggists and that of the manufacturers have mutually agreed to divide the United States into districts, each of which shall be under a superintendent, who is to watch the druggists and report all those cutting prices, who are thereupon to be boycotted.

Every one knows about the thirty-million-dollar steel combination, which has not kept the price of rails from declining from \$166 a ton in 1867 to \$32 a ton in 1884, but during this decline has kept the price of rails — that is, the price of transportation, that is, the price of everything, higher in this country than anywhere else. Chairman Morrison of the Committee of Ways and Means is a witness to the fact that the chimneys of the Vulcan Mill at St. Louis stood smokeless for years, and meanwhile its owners received a subsidy reported at \$400,000 a year from the other mills of the combination for not making rails, with, however, no payment to its men for not working. The steel-rail makers of England, France, Belgium, and Germany are negotiating for an international combination to keep up prices. The "Age of Steel" startled the country last January by the statement that a monster pool was to be formed of all our pig-iron manufacturers. The country was to be divided into six districts. As many furnaces were to be put out of blast as were necessary to prevent us from having too much iron, and these idle furnaces were to share, like the Vulcan Steel Mill, the profits of those that ran. This has not yet proved to be history, but it may turn out to have been prophecy.

There are too many nails for the nail-makers, though no such complaint has been heard from the house-builders. There is a nail association, which at the beginning of the year advanced prices ten cents a keg. Last November it ordered a suspension of the nail machines for five weeks, to the great distress of eight thousand workmen, who are also machines — self-feeders. "We hope," said the nail-men, according to a Pittsburgh dispatch of December 29, 1882, "to show consumers that we can not only control production, but that we can do so unanimously, and at the very time when nails are the least wanted." On April 9th, of this year, the nail manufacturers of the West met again at Pittsburgh, and adopted the most modern form of pool, with

managers having full powers to regulate prices and restrict production. "An early advance of prices may be expected," we are told. Every mill in the West is in the pool. Nail-buyers are not allowed to converse with nail-makers. All business must be done through the Board of Control.

There is too much barbed wire for the wire manufacturers, though not for the farmers, and a pool, under the "entire control" of eleven directors, has, within a few weeks, been formed, in which are enrolled all of the chief manufacturers. Its members met in March in St. Louis, and advanced prices. They met again in Chicago, April 4th, and advanced prices 10 per cent., and adjourned to meet in thirty days for the purpose of making another advance. This combination cuts off competition at both ends. It confederates the makers, so that they shall not sell in competition with each other, and it buys all its raw material through one purchasing agent, so that its members do not buy in competition. The Western Pig Iron Association regard "the cutting of prices as the bane of business," and do what they can to stop it. Thirteen concerns making wrought-iron pipes in this country met in December last to unite under the very appropriate name of the Empire Iron Company. Each was to deposit \$20,000 as security that he would adhere to rules to prevent the calamity of too much iron pipe. One feature of the pool was that it proposed to keep men on guard at each mill, to keep account of the pipe made and shipped; and these superintendents were to be moved around from one mill to another at least once every eight weeks. April 1, 1882, when the rest of us were lost in the reckless gayety of All Fools' Day, forty-one tack manufacturers found out that there were too many tacks, and formed the "Central Manufacturing Company of Boston," with \$3,000,000 capital. The tack-mills in the combination run about three days in the week. When this combination, a few weeks ago, silenced a Pittsburgh rival by buying him out, they did not remove the machinery. The dead chimneys and idle machines will discourage new men from starting another factory, or can be run to ruin them if they are not to be discouraged in any other way. The first-fruits of the tack-pool were an increase of prices to twice what they had been.

One of the objections raised thousands of years ago in Greece, against the union of people of the same trade, was that their

meetings degenerated into political conspiracies, and Trajan, for the same reason, refused to accede to the request of Pliny that he might enroll a fire company out of the workmen of Nicomedia. No precautions, said the shrewd emperor, can prevent such associations from becoming dangerous conspiracies. The whisky distillers' pool is a combination of all the distillers north of the Ohio River from Pittsburgh to the Pacific Ocean. It regulates production, export, and prices. Its success at Washington, in securing legislation several years ago granting whisky makers the privilege, given to no other tax-payer, of a postponement of the time for payment of taxes, is a significant reminder of Trajan's saying. The demand for whisky so far falls short of the capacity of the pool to produce, that a large number of distilleries are kept idle, drawing pensions from the combination, in some cases as high as \$500 a day. The Brewers and Maltsters' Association of New York fixes the prices of beer by combination, and claims to control 35,000 votes. It takes to itself the credit of the defeat, last year, of Mr. Maynard, candidate for Secretary of State of New York. At the last session of the association the suggestion was made by one of the speakers, that if the brewers would see that the foreigners in their employ took out naturalization papers, they would, no doubt, "cast their votes properly."

The publishers of school books do not like competition — that is, what they call "dishonest competition." Nineteen of the leading firms of the country have formed a combination, by which they are bound to obey the orders of an executive committee as to prices and other matters. This, says the "Age of Steel," will be cheerful news to the heads of families, who already have enough half-worn school books in the house to have stocked a whole township forty years ago. A heavy penalty is imposed upon any publisher who supplants the books of another house in the pool by reducing prices or otherwise. The successful man has to hand over to the unsuccessful one the value of the book for three years. The Ohio Senate recently discussed means for overcoming this combination and securing competition in the supply of school books to the State as of old.

The competition of the fire insurance companies, which broke out in 1875, upon the collapse of their pool, cost them in New York city alone \$17,500,000 in seven years, and in 1882 they made a new combination which covered the whole country, and is, in point of wealth and cohesiveness, one of the most powerful

and most successful in the country. The combination of makers of stamped tinware, formed in 1882, expelled members who sold at lower than the fixed rates, and refused to allow any one in the pool to sell to the offenders. The situation was so uncomfortable, that the expelled deliberated whether to prosecute the association for conspiracy or to pay the penalty and go back into the fold; they chose to do the latter.

Two years ago it was found that there was too much milk in New York and Boston. The "embattled farmers" of Orange county, which supplies New York with two-thirds of its milk, declared a milk war. The New York dealers were cut off from their regular supplies. Committees of farmers waited at every railroad station, and offered to buy all the milk that was brought down for shipment by those who did not join in the combination. When bought it was spilled. When not bought it was usually spilled just the same. Two Italians with performing bears were in Goshen on the night when the first milk was spilled. The farmers said the bears did it, and while the "milk war" lasted the spillers were known as "the bears." When the superintendent of the Lehigh and Hudson Railroad allowed milk to be shipped against the protests of the farmers, they threatened to tear up the tracks, and the sheriff of the county had to be called in to protect the road. Sheriffs' deputies, appointed to protect the shippers, helped the bears to spill the milk. At Warwick all the streets leading to the depot were barricaded by the bears with ropes. It took eight men armed with clubs, guns, and pistols to guard one man collecting milk. Peace was declared March 24, 1883. A committee of the farmers and a committee of the milkmen, representing eight hundred dealers in New York, Brooklyn, and Jersey City, agreed upon a fixed price for each month until April, 1884, ranging from two and a half to four cents a quart, according to the time of year. The organization of farmers spread until it covered Delaware, Orange, and Sullivan counties in New York, and Hunterdon and Sussex counties in New Jersey. March 22d, of this year, the farmers' committee and that of the milk dealers' organization, known to the honest farmers as the "Pump Handle Association," met again, agreed on prices for another twelvemonth, and this year there will be no milk war.

The trade in milk at the point of largest consumption in the United States now rests in the hands of these combinations.

The same thing is going on at other places. The New England Milk Producers' Association met in Boston, last January, for the purpose of thoroughly organizing the milk farmers. Representatives from New York who had led the farmers there were present to point out the way. The Secretary of the Massachusetts Board of Agriculture read a letter from a gentleman in which a check of one hundred dollars was inclosed, to pay for milk to be poured on the ground to help the success of the producers' cause. The membership was increased from 86 to 291. Resolutions were adopted calling upon all the farmers who supplied Boston with milk to join the association and do all in their power to solve the "milk problem." On March 22d, the day of the similar meeting in New York, the association met again in Boston, conferred with the representatives of the milk dealers, fixed the price of milk from April to October at thirty-four cents for eight and one-half quarts by a vote of 91 to 39, and adjourned. The ballot is a new force in the manufacture of prices, and one well worthy the attention of those who are curious about the developments of universal suffrage.

Other combinations, more or less successful, have been made by ice men of New York, fish dealers of Boston, Western millers, copper miners, manufacturers of sewer pipe, lamps, pottery, glass, hoop-iron, shot, rivets, sugar, candy, starch, preserved fruits, glucose, vapor stoves, chairs, lime, rubber, screws, chains, harvesting machinery, pins, salt, type, brass tubing, hardware, silk, and wire cloth, to say nothing of the railroad, labor, telegraph, and telephone pools with which we are so familiar. On the third of April the largest and most influential meeting of cotton manufacturers ever held in the South came together at Augusta to take measures to cure the devastating plague of too much cotton cloth. A plan was unanimously adopted for the organization of a Southern Manufacturers' Association for the same general purposes as the New England Manufacturers' Association. The convention recommended its members to imitate the action of the Almighty in making a short crop of cotton by making a short crop of yarns and cloth, and referred to a committee the preparation of plans for a more thorough pool.

Such are some of the pools into which our industry is eddying. They come and go, but more come than go, and those that stay grow. All are "voluntary," of course, but if the milk

farmer of Orange county, the iron molder of Troy, the lumber dealer of San Francisco, the Lackawanna Railroad, or any other individual or corporate producer, show any backwardness about accepting the invitation to join "the pool," they are whipped in with all the competitive weapons at command, from assault and battery to boycotting and conspiracy. The private wars that are ravaging our world of trade give small men their choice between extermination and vassalage. Combine or die! The little coke burner of Connellsville works or stops work, the coal dealer of Chicago raises his prices or lowers them, the type-setter takes up his stick or lays it down, as the master of the pool directs. Competitors swear themselves on the Bible into accomplices, and free and equal citizens abandon their business privacy to pool commissioners vested with absolute power, but subject to human frailties. Commerce is learning the delights of universal suffrage, and in scores of trades supply and demand are adjusted by a majority vote. In a society which has the wherewithal to cover, fatten and cheer every one, Lords of Industry are acquiring the power to pool the profits of scarcity and to decree famine. They cannot stop the brook that runs the mill, but they can chain the wheel; they cannot hide the coal mine, but they can close the shaft three days every week. To keep up gold-digging rates of dividends, they declare war against plenty. On all that keeps him alive the workman must pay them their prices, while they lock him out of the mill in which alone his labor can be made to fetch the price of life. Only society can compel a social use of its resources; the man is for himself.

On the theory of "too much of everything" our industries, from railroads to workingmen, are being organized to prevent milk, nails, lumber, freights, labor, soothing syrup, and all these other things, from becoming too cheap. The majority have never yet been able to buy enough of anything. The minority have too much of everything to sell. Seeds of social trouble germinate fast in such conditions. Society is letting these combinations become institutions without compelling them to adjust their charges to the cost of production, which used to be the universal rule of price. Our laws and commissions to regulate the railroads are but toddling steps in a path in which we need to walk like men. The change from competition to combination is nothing less than one of those revolutions which march through

history with giant strides. It is not likely that this revolution will go backward. Nothing goes backward in this country except reform. When Stephenson said of railroads that where combination was possible competition was impossible, he was unconsciously declaring the law of all industry.

Man, the only animal which forgets, has already in a century or two forgotten that the freedom, the independence of his group, of the state and even of the family, which he has enjoyed for a brief interval, have been unknown in most of the history of our race, and in all the history of most races. The livery companies of London, with their gloomy guildhalls, their wealth, their gluttony and wine-bibbing, their wretched Irish estates, exist to-day vain reminders to us of a time when the entire industry of Europe was regimented into organizations, voluntary at first, afterward adopted by the law, which did what our pools of railroads, laborers, manufacturers, and others are trying to do. Not only prices but manners were pooled. "The notion," says Cliffe Leslie, "that every man had a right to settle where he liked, to carry on any occupation he thought fit, and in whatever manner he chose, to demand the highest price he could get, or on the contrary to offer lower terms than any one else, to make the largest profit possible, and to compete with other traders without restraint, was absolutely contrary to the spirit of the ages that preceded ours." This system existed for centuries. It is so unlike our own that the contemplation of it may well shake us out of our conceit that the transitions, displacements, changes, upheavals, struggles, exterminations—from Indians to sewing women—of the last two hundred and fifty years were the normal condition of the race.

Those were not exceptional times. Our day of free competition and free contract has been the exceptional era in history. Explorer, pioneer, protestant, reformer, captain of industry could not move in the harness of the guild brother, the vassal, the monk, and were allowed to throw away mediæval uniforms. But now "the individual withers; the world is more and more." Society having let the individual overrun the new worlds to be conquered, is reëstablishing its lines of communication with him. Literary theorists still repeat the cant of individualism in law, politics, and morals; but the world of affairs is gladly accepting, in lieu of the liberty of each to do as he will with his own, all it can get of the liberty given by laws that let no one do as he

might with his own. The dream of the French Revolution, that man was good enough to be emancipated from the bonds of association and government by the simple proclamation of Liberty, Fraternity and Equality, was but the frenzied expression of what was called Freedom of Self-interest in a quieter but not less bloody revolution, if the mortality of the factories, the mines, and the tenements be charged to its account. A rope cannot be made of sand; a society cannot be made of competitive units.

We have given competition its own way, and have found that we are not good enough or wise enough to be trusted with this power of ruining ourselves in the attempt to ruin others. Free competition could be let run only in a community where every one had learned to say and act "I am the state." We have had an era of material inventions. We now need a renaissance of moral inventions, contrivances to tap the vast currents of moral magnetism flowing uncaught over the face of society. Morals and values rise and fall together. If our combinations have no morals, they can have no values. If the tendency to combination is irresistible, control of it is imperative. Monopoly and anti-monopoly, odious as these words have become to the literary ear, represent the two great tendencies of our time: monopoly, the tendency to combination; anti-monopoly, the demand for social control of it. As the man is bent toward business or patriotism, he will negotiate combinations or agitate for laws to regulate them. The first is capitalistic, the second is social. The first, industrial; the second, moral. The first promotes wealth; the second, citizenship. These combinations are not to be waved away as fresh pictures of folly or total depravity. There is something in them deeper than that. The Aryan has proved by the experience of thousands of years that he can travel. "But travel," Emerson says, "is the fool's paradise." We must now prove that we can stay at home, and stand it as well as the Chinese have done. Future Puritans cannot emigrate from Southampton to Plymouth Rock. They can only sail from righteousness to righteousness. Our young men can no longer go west; they must go up or down. Not new land, but new virtue must be the outlet for the future. Our halt at the shores of the Pacific is a much more serious affair than that which brought our ancestors to a pause before the barriers of the Atlantic, and compelled them to practice living together for a few hundred years. We cannot hereafter, as in the past, recover freedom by going to

the prairies; we must find it in the society of the good. In the presence of great combinations, in all departments of life, the moralist and patriot have work to do of a significance never before approached during the itinerant phases of our civilization. It may be that the coming age of combination will issue in a nobler and fuller liberty for the individual than has yet been seen, but that consummation will be possible, not in a day of competitive trade, but in one of competitive morals.

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